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23 Aerospace, Inc.*

24 UNITED STATES DISTRICT COURT
25 EASTERN DISTRICT OF WASHINGTON AT SPOKANE

26 OLD REPUBLIC AEROSPACE, INC.,

27 Plaintiff,

28 v.

29 TAMARACK AEROSPACE GROUP,
30 INC.,

31 Defendant.

32 No.: _____

33 COMPLAINT

34 COMPLAINT

35 PAGE 1

36 **Bullivant|Houser|Bailey PC**

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38 Seattle, Washington 98104
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1 Plaintiff, Old Republic Aerospace, Inc. (“Old Republic”), by and through
 2 undersigned counsel, alleges as follows:

3 **I. JURISDICTION AND VENUE**

4 1. Original subject matter jurisdiction is proper in the United States
 5 District Court pursuant to 28 U.S.C. § 1332(a)(3) as this is a civil action where the
 6 matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and
 7 costs, and is between citizens of different States.

8 (a) Plaintiff Old Republic Aerospace, Inc. is a corporation organized
 9 and existing under the laws of the State of Delaware with a principal place of
 10 business in the State of Georgia.

11 (b) Defendant Tamarack Aerospace Group, Inc. is a corporation
 12 organized and existing under the laws of the State of Washington with its principal
 13 place of business in the State of Idaho.

14 2. Personal jurisdiction is properly exercised over Defendant Tamarack
 15 Aerospace Group, Inc. through the principles of general jurisdiction and specific
 16 jurisdiction in that:

17 (a) Defendant Tamarack Aerospace Group, Inc. is a corporation which
 18 is incorporated in and “at home” in the State of Washington.

19 (b) The exercise of personal jurisdiction over Defendant Tamarack
 20 Aerospace Group, Inc. further complies with the due process requirements under the
 21
 22
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 26

1 Constitution of the State of Washington and the Constitution of the United States of
 2 America.

3 3. Venue of this action in the United States District Court for the Eastern
 4 District of Washington is proper under 28 U.S.C. § 1391(b) in that Defendant Tamarack
 5 Aerospace Group, Inc. resides and transacts business in the district and a substantial part
 6 of the events or omissions giving rise to the claim occurred in the district. Jointly or in
 7 the alternative, venue is proper in this district pursuant to 28 U.S.C. § 1333(b)(5) in that
 8 the bankruptcy case relating to Defendant Tamarack Aerospace Group, Inc. Case
 9 No. 19-01492-FPC11, was venued in the United States District Court for the Eastern
 10 District of Washington and on February 13, 2020, the following lawsuits were filed in
 11 this district court against Defendant Tamarack Aerospace Group, Inc. in relation to the
 12 same underlying events as this litigation:

13 (a) Erica Davis as Personal Representative of the Estate of Andrew
 14 Dale Davis, deceased, and minor children, JC, minor child, SD, minor child, Case No 2-
 15 2020-00060.

16 (b) Michael M. Maschmeyer, as Personal Representative of the
 17 Estate of R. Wayne Estopinal, Case No. 2-2020-00061; and

18 (c) James Johnson and Bradley Herman, individually and as
 19 Independent Co-Administrators of the Estate of Sandra Johnson, Case No. 2-2020-
 20 00062.

II. FACTS

4. On or about September 30, 2005, the United States Federal Aviation Administration approved the design of a certain model aircraft known as the Cessna Model 525A airplane under FAA Type Certificate No. A1WI.

5. In or about March 2009, Cessna Aircraft Company, manufactured and sold a certain Cessna Model 525A, airframe serial number 525A0449 (“Subject Airplane”), to EstoAir, LLC, a limited liability company, the design of which conformed to the design approved FAA Type Certificate No. A1WI.

6. On or about September 3, 2013, Defendant Tamarack Aerospace Group, Inc. entered into an Order Deposit Contract with EstoAir, LLC for the purchase and installation of the Tamarack ATLAS Winglets, which was a load alleviation system also known as the Tamarack Active Winglets system, on the Subject Airplane.

7. To expedite the certification process for the Tamarack Active Winglets system, Defendant Tamarack Aerospace Group Inc.’s Supplemental Type Certificate was originally issued through the European Aviation Safety Agency (“EASA”) to Cranfield Aerospace Solutions Ltd., based in the United Kingdom. The Federal Aviation Administration (“FAA”) issued Import Supplemental Type Certificate No. SA03842 to Cranfield Aerospace Solutions Ltd. on December 27, 2016. Cranfield Aerospace Solutions Ltd. transferred the certificate to Defendant

1 Tamarack Aerospace Group Inc. and the FAA issued Supplemental Type Certificate
 2 SA03842NY.

3 8. Following the original issuance of FAA Import Supplemental Type
 4 Certificate No. SA03842, Cranfield Aerospace Solutions Ltd. applied for and was
 5 granted amendments to the said Supplemental Type Certificate No. SA03842,
 6 specifically including Cessna Model 525A airplanes.

7 9. The type design changes approved under Supplemental Type Certificate
 8 No. SA03842 relating to the Cessna Model 525A airplane included:

- 11 i. Installation of the Tamarack ATLAS Winglets in accordance with
 12 Cranfield Aerospace Service Bulletin CA/DD/SB1375 Rev L dated
 13 February 2018 or later EASA approved revisions.
- 14 ii. For Continued Airworthiness, reference to Cranfield Aerospace
 15 Aircraft Maintenance Manual Supplement CA/DD/M021 Issue J
 16 dated December 2017 or later EASA accepted revisions; and
- 17 iii. Operating the aircraft in accordance with Cranfield Aerospace
 18 Flight Manual Supplement CAS/AFM0004 Issue A (R1) dated
 19 February 2018 or later EASA approved revisions.

20 10. On or about May 28, 2018, Defendant Tamarack Aerospace Group, Inc.
 21 installed the Tamarack Active Winglets system on the Subject Airplane pursuant to and
 22 in accordance FAA Import Supplemental Type Certificate No. SA03842, including all
 23 limitations and conditions applicable thereto.

24 11. On May 28, 2018 and at all times herein relevant, Defendant Tamarack
 25 Aerospace Group, Inc. held several United States patents that were incorporated into
 26

1 the design of the Tamarack Active Winglets system that was installed on the Subject
 2 Airplane, including patent numbers US 8,684,385 B2 and US 9,764,825 B2.

3 12. The Tamarack Active Winglets system installed on the Subject
 4 Airplane was designed, manufactured, assembled, and sold by Defendant Tamarack
 5 Aerospace Group, Inc.

6 13. Subsequent to the installation of the Tamarack Active Winglets on the
 7 Subject Airplane on May 28, 2018, through and including November 30, 2018,
 8 Defendant Tamarack Aerospace Group, Inc. provided Instructions for Continued
 9 Airworthiness regarding the Tamarack Active Winglets system, and customer
 10 support and engineering services relating to the Subject Airplane and other airplanes
 11 modified under FAA Import Supplemental Type Certificate No. SA03842.

12 14. On November 30, 2018, the Subject Airplane was being operated
 13 pursuant to 14 C.F.R. Part 91 on a flight from Clark County Regional Airport in
 14 Sellersburg, Indiana with an intended destination of Chicago Midway International
 15 Airport in Chicago, Illinois.

16 15. On November 30, 2018, and after takeoff for the aforesaid flight, the
 17 subject Airplane with the said Tamarack Active Winglets product in place thereon
 18 deviated from controlled flight and crashed into trees and the ground in Clark
 19 County, Indiana at approximately 10:28 a.m. EST, killing all three persons on board,
 20 including Andrew Dale Davis, R. Wayne Estopinal, and Sandra Johnson

1 (collectively “the decedents”). The subject Airplane with the said Tamarack Active
 2 Winglets product in place thereon was destroyed in the crash, its wreckage strewn
 3 over an estimated 300-yard debris field.
 4

5 16. The decedents were officers and/or employees of Old Republic’s
 6 insured, TEG Architects, LLC.

7 17. At the time of the crash, the subject Airplane was insured under a
 8 Corporate Aircraft insurance policy issued by Old Republic, policy number
 9 CA00300602, to its insureds, TEG Architects, LLC and EstoAir LLC.

11 18. Pursuant to this Corporate Aircraft insurance policy:

12 (a) Old Republic paid to its insureds the sum of \$4,625,000, the
 13 insured value of the subject Airplane.

15 (b) On behalf of its insureds, Old Republic further paid for property
 16 damage caused by the crash and paid for expenses incurred as a consequence of the
 17 crash, including but not limited to costs associated with recovering the remains of
 18 the subject Airplane; and

20 (c) On behalf of its insureds, Old Republic further made payment to
 21 the decedents’ statutory beneficiaries.

23 19. Pursuant to the terms of the Corporate Aircraft insurance policy, Old
 24 Republic receives from its insureds the assignment of its insureds’ rights of recovery
 25 against third parties for property damage suffered to the extent said losses are paid
 26

by Old Republic.

20. By virtue of payment under the Corporate Aircraft insurance policy, Old Republic is also equitably subrogated to the rights of its insureds, as well as the rights of the decedents to the extent Old Republic made payments to the statutory beneficiaries of the decedents, and the rights of third-parties compensated for property damage caused by the crash.

III. CAUSES OF ACTION

(First Action – Product Liability – Chapter 7.72 RCW)

21. Plaintiff incorporates all preceding paragraphs as though fully set forth herein.

22. The subject Tamarack Active Winglets system is a product under RCW 7.72.010(3) because it is an object possessing intrinsic value, capable of delivery either as an assembled whole or as a component part or parts and produced for introduction into trade or commerce.

23. Defendant Tamarack Aerospace Group, Inc. is a manufacturer under RCW 7.72.010(2) as said Defendant designed, produced, made, fabricated, and/or constructed the subject Tamarack Active Winglets system.

24. Defendant Tamarack Aerospace Group, Inc. is a product seller under RCW 7.72.010(1) as said Defendant was engaged in the business of selling products, specifically including the subject Tamarack Active Winglets system.

1 25. Plaintiff is a claimant under RCW 7.72.010(5) as it is an entity asserting
 2 a product liability claim.
 3

4 26. On November 30, 2018 and at all relevant times, the subject Tamarack
 5 Active Winglets system was not reasonably safe as designed and not reasonably safe
 6 because adequate warnings or instructions were not provided, including but not
 7 limited to the following:
 8

- 9 (a) The load alleviation system failed to comply with the
 10 requirement that while the system is active or after any single
 11 failure that the controllability and maneuverability requirements
 12 of 14 C.F.R. Part 23, Subpart D are met within a practical
 13 operational flight envelope, contrary to and in violation of FAA
 14 Special Condition SC 23.672(d)(1);
 15
- 16 (b) The load alleviation system failed to comply with the
 17 requirement that while the system is active or after any single
 18 failure that the trim, stability, and stall characteristics are not
 19 impaired below a level needed to permit continued safe flight and
 20 landing, contrary to and in violation of FAA Special Condition
 21 SC 23.672(d)(2);
 22
- 23 (c) The load alleviation system failed to comply with the
 24 requirement that proper precautions be taken to prevent
 25 inadvertent or improper operation of the load alleviation system,
 26 contrary to and in violation of FAA Special Condition
 SC 23.677(a);
 27
- 28 (d) The load alleviation system failed to comply with the
 29 requirement that when any one connecting or transmitting
 30 element in the primary flight control system fails, adequate
 31 control for safe flight and landing is available, contrary to and in
 32 violation of FAA Special Condition SC 23.677(b);
 33
- 34 (e) The load alleviation system failed to comply with the
 35 requirement that it be irreversible unless the control surface is
 36

1 adequately balanced and/or have no unsafe flutter characteristic,
2 contrary to and in violation of SC 23.677(c);

3 (f) The load alleviation system failed to comply with the
4 requirement that it have adequate rigidity and reliability, contrary
5 to and in violation of SC 23.677(c);

6 (g) The load alleviation system failed to comply with the
7 requirement that the airplane be safely controllable and a pilot be
8 able to perform all maneuvers and operations necessary to affect
9 a safe landing following any load alleviation system runaway not
shown to be extremely improbable, contrary to and in violation
of FAA Special Condition SC 23.677(d);

10 (h) The load alleviation system failed to comply with the
11 requirement that during operation the flight control system and
12 load alleviation system were free from jamming, excessive
13 friction, and/or excessive deflection, contrary to and in violation
of FAA Special Condition SC 23.683(a);

14 (i) The load alleviation system failed to comply with the
15 requirement that it not restrict or prevent aileron control surface
16 movements or cause an adverse response of the ailerons, contrary
to and in violation of Special Condition SC 23.683(b);

17 (j) The load alleviation system failed to comply with the
18 requirement that it be tested to and therefore capable of
19 continuing safe flight with the limit loads prescribed by Special
20 Condition SC 23.683(c) contrary to and in violation of Special
Condition SC 23.683(c);

21 (k) The load alleviation system failed to comply with the
22 requirement that it be designed and installed to prevent jamming,
23 chafing, and interference from cargo, passengers, loose objects
24 or the freezing of moisture, contrary to and in violation of Special
Condition SC 23.685(a);

25 (l) The load alleviation system failed to comply with the
26 requirement that it not be susceptible to entry of foreign objects
into places where they would jam any connecting or transmitting

1 element contrary to and in violation of Special Condition SC
2 23.685(a);

3 (m) The load alleviation system failed to comply with the
4 requirement that it be distinctively and permanently marked, to
5 minimize the possibility of incorrect assembly that could result
6 in malfunction of the control system contrary to and in violation
7 of Special Condition SC 23.685(c);
8
8 (n) The load alleviation system failed to comply with the
9 requirement that it be designed so that during normal operation,
10 when the surface has been placed in any position, it will not move
11 from that position unless the control is adjusted or moved by the
12 operation of the system, contrary to and in violation of Special
13 Condition SC 23.697(a);
14
14 (o) The load alleviation system failed to comply with the
15 requirement that the rate of movement of the control surface in
16 response to the load alleviation system controls must give
17 satisfactory flight and performance characteristics under steady
18 and changing conditions of airspeed, engine power, attitude, flap
19 configuration, speedbrake position, and during landing gear
20 extension and retraction, contrary to and in violation of FAA
21 Special Condition SC 23.697(b);
22
22 (p) The load alleviation system failed to comply with the
23 requirement that it be synchronized by a mechanical
24 interconnection between the moveable surfaces or by an
25 approved equivalent means, contrary to and in violation of
26 Special Condition SC 23.701(a);
27
27 (q) The design of the load alleviation system failed to comply with
28 the requirement that the occurrence of any failure of the system
29 that would result in an unsafe flight characteristic of the airplane
30 is extremely improbable, contrary to and in violation of FAA
31 Special Condition SC 23.701(a)(2);
32
32 (r) The load alleviation system failed to comply with the
33 requirement that the airplane must be shown to have safe flight
34 characteristics with any combination of extreme positions of

1 individual movable surfaces, contrary to and in violation of FAA
2 Special Condition SC 23.701(b);

3 (s) The load alleviation system failed to comply with the
4 requirement that it be designed to account for unsymmetrical
5 loads resulting from flight with the engines on one side
6 inoperative or at reduced power, contrary to and in violation of
7 Special Condition SC 23.701(c);
8
8 (t) The load alleviation system failed to comply with the
9 requirement for the continuation of the flight of the airplane in
10 the system failed state, contrary to and in violation of paragraph
11 2(f)(2) of FAA Special Conditions No. 23-279A-SC;
12
13 (u) The load alleviation system failed to comply with the
14 requirement that after any single failure of the load alleviation
15 system, the airplane was safely controllable when the failure or
16 malfunction occurred at any speed or altitude within the
17 approved operating limitations critical for the type of failure
18 considered, contrary to and in violation of FAA Special
19 Condition SC 23.672(c);
20
21 (v) The load alleviation system failed to comply with the
22 requirement that it must permit counteraction of failures without
23 requiring exceptional pilot skill or strength by either deactivation
24 of the system or by overriding, contrary to and in violation of
25 FAA Special Condition SC 23.672(b);
26
27 (w) The load alleviation system failed to comply with the
28 requirement that a warning, which is clearly distinguishable to
29 the pilot under expected flight conditions without requiring the
30 pilot's attention, must be provided for any failure in the load
31 alleviation system that could result in an unsafe condition,
32 contrary to and in violation of FAA Special Condition
33 SC 23.672(a);
34
35 (x) The load alleviation system failed to comply with the
36 requirement that it comply with the airworthiness standard set
37 forth in 14 CFR § 23.675 requiring the control system to include
38 a mechanism to positively limit the range of motion and that

1 these mechanisms not adversely affect safety of flight contrary
2 to and in violation of Special Condition 23;

3 (y) The load alleviation system failed to comply with the
4 requirement that it comply with the airworthiness standard set
5 forth in 14 CFR § 23.681 because the testing was not performed
6 at the most severe loading and therefore the structure is not
7 constructed to withstand the most sever loading contrary to and
8 in violation of Special Conditions;

9 (z) The load alleviation system failed to comply with the
10 requirement that it comply with the airworthiness standard set
11 forth in 14 CFR § 23.693 because the certain joints subject to
12 angular motion be designed to a specified factor of safety
13 contrary to and in violation of Special Conditions;

14 (aa) The load alleviation system failed to comply with the
15 requirement that it be designed taking into consideration all
16 conditions that could be encountered up to the point where the
17 limit load is reached including but not limited to the effect of
18 nonlinearities must be investigated beyond limit conditions to
19 ensure the behavior of the system presents no anomaly compared
20 to the behavior below limit conditions contrary to and in
21 violation of Special Conditions 2(e)(1);

22 (bb) The load alleviation system failed to comply with the
23 requirement that it be designed to meet the aeroelastic stability
24 requirements of § 23.629 contrary to and in violation of Special
25 Conditions 2(e)(3);

26 (cc) The load alleviation system otherwise failed to meet the
applicable provisions of the mandatory government regulations
incorporated by reference in FAA Type Certificate No. A1W1
contrary to the Type Certification Basis requirement contained
in FAA Special Conditions No. 23-279A-SC;

(dd) The subject Tamarack Active Winglets system was not
reasonably safe as designed under RCW 7.72.030(1)(a) because
at the time of manufacture, the likelihood that the product would
cause harm or similar harms, and the seriousness of those harms,

1 outweighed the burden on Defendant to design a product that
2 would have prevented those harms and the adverse effect that an
3 alternative design that was practical and feasible would have on
4 the usefulness of the product;

5 (ee) The subject Tamarack Active Winglets system was not
6 reasonably safe because adequate warnings or instructions for the
7 system were not provided under RCW 7.72.030(1)(b) because at
8 the time of the manufacture, the likelihood that the product
9 would cause harm or similar harms and the seriousness of those
10 harms, rendered the warnings or instructions of the manufacturer
11 inadequate and the manufacturer could have provided the
12 warnings or instructions which the claimant alleges would have
13 been adequate;

14 (ff) The subject Tamarack Active Winglets system was not
15 reasonably safe under RCW 7.72.030(3), and the subject
16 system's warnings and instructions were not reasonably safe
17 under RCW 7.72.030(3) because its warnings and instructions
18 were unsafe to an extent beyond that which would be
19 contemplated by the ordinary consumer;

20 (gg) The subject Tamarack Active Winglets system was not
21 reasonably safe because adequate warnings or instructions were
22 not provided after the Tamarack Active Winglets system was
23 manufactured under RCW 7.72.030(1)(c). Defendant learned or
24 should have learned about a danger connected with the product
25 after it was manufactured. Defendant failed to act with regard to
26 issuing warnings or instructions concerning the danger in the
manner that a reasonably prudent manufacturer would act in the
same or similar circumstances;

27 (hh) The subject Tamarack Active Winglets system was not
28 reasonably safe in construction under RCW 7.72.030(2) for
29 which Defendant is strictly liable because the product did not
30 conform to the manufacturer's express warranty and did not
31 conform to the implied warranties under Title 62A RCW.

1 27. On November 30, 2018 and as a direct and proximate result of one or
2 more of the foregoing conditions of the subject Tamarack Active Winglets system
3 that were not reasonably safe, the subject Airplane was caused to and did deviate
4 from controlled flight and crashed in Clark County, Indiana, killing Andrew Dale
5 Davis, R. Wayne Estopinal, and Sandra Johnson, destroying the subject Airplane,
6 and damaging property in the vicinity.
7

8 28. At the time of their deaths, the decedents Andrew Dale Davis, R.
9 Wayne Estopinal, and Sandra Johnson were all survived by statutory beneficiaries
10 under RCW 4.20.020.

12 29. Pursuant to the Corporate Aircraft insurance policy under which the
13 subject Airplane was insured at the time of the crash, Old Republic paid to its
14 insureds the sum of \$4,625,000, the insured value of the subject Airplane. On behalf
15 of its insureds, Old Republic further paid for property damage caused by the crash,
16 and paid for expenses incurred as a consequence of the crash, including but not
17 limited to costs associated with recovering the remains of the subject Airplane.
18 Additionally, on behalf of its insureds, Old Republic further paid claims made on
19 behalf of the decedents' statutory beneficiaries. Plaintiff Old Republic brings this
20 subrogation action against Defendant to recover those amounts paid under the policy
21 under Chapter 7.72 RCW.
22
23
24

1 WHEREFORE Plaintiff, Old Republic, prays that judgment be entered in its
2 favor and against Defendant Tamarack Aerospace Group, Inc. in a sum according to
3 proof.
4

5 **(Second Action – Breach of Express Warranty - RCW 62A.2-313)**

6 30. Plaintiff incorporates all preceding paragraphs by reference as though
7 fully set forth herein.
8

9 31. Defendant Tamarack Aerospace Group Inc. is and was at all times a
10 “merchant” with respect to the subject Tamarack Active Winglets system under
11 RCW 62A.2-104(1).
12

13 32. The subject Tamarack Active Winglets are and were at all relevant
14 times “goods” under RCW 62A.2-105(1).
15

16 33. Defendant Tamarack Aerospace Group, Inc. marketed the subject
17 Tamarack Active Winglets system as a feature that improved the safety, reliability,
18 and performance of planes fitted with the subject Tamarack Active Winglets system.
19

20 34. As of September 2013, Defendant Tamarack Aerospace Group, Inc.
21 represented on its website that “Tamarack Aerospace Group, Inc. revolutionizes the
22 aircraft industry with the introduction of the world’s first Active Winglet™. The
23 Active Winglet™ provides all the advantages of passive winglets with none of the
24 drawbacks — making all other passive winglet technology obsolete.”
25
26

1 35. Between 2013 and May 2018, Defendant Tamarack Aerospace Group,
 2 Inc. made numerous representations on its website regarding the safety, reliability,
 3 performance, and characteristics of the Tamarack Active Winglets system, including
 4 but not limited to:

- 6 i. “Do they help the plane’s performance? Winglets allow the airplane
 7 to climb faster getting to cruising altitude sooner. They reduce
 8 required fuel flow during cruise. They reduce the stall speed which
 9 means slower, safer landings. Take offs are shorter. Single engine
 10 climb performance is increased. Single engine drift-down is
 11 reduced. And high-altitude handling qualities are enhanced. In terms
 12 of handling, [sic] most pilots report that an aircraft with winglets
 13 feels more ‘solid’ in the air than one without.”
- 14 ii. “What is the difference between Active and passive winglets?
 15 Winglets were invented in 1897 by Frederic W. Lanchester. All
 16 passive winglet designs since have had to make a design tradeoff
 17 between efficiency and wing strength. A winglet installed with
 18 ATLAS™ is an Active Winglet and allows any aircraft to be
 19 retrofitted with winglets with no compromise in aerodynamic
 20 efficiency due to wing stress issues.”
- 21 iii. “What are the advantages of Active vs. passive winglets? Making a
 22 wing more efficient with any winglet comes from more evenly
 23 distributing the aerodynamic loading on the wing to reduce drag; but
 24 this always introduces more bending load in the wing. The purpose
 25 of ATLAS™ is to actively reduce the bending load in the wing
 26 during rare, high flight load conditions. This means a Tamarack
 27 winglet can be designed for peak efficiency. No compromises.”
- 28 iv. “What kind of plane is best suited for active winglets? Any aircraft
 29 with wings! ATLAS™ allows any aircraft to be retrofitted with
 30 winglets with no compromise in aerodynamic efficiency due to wing
 31 stress issues.”
- 32 v. “Does ATLAS™ smooth the ride? Yes. In fact, Boeing was
 33 targeting air sickness with the gust alleviation system on the 787

1 because it makes the ride better in turbulence.”

2 vi. “How reliable is the ATLAST™? The most critical failure of any
 3 system like ATLAST™ would be a failure without illumination of the
 4 warning light. This type of failure of ATLAST™ has been calculated
 5 to be less than 1 failure for every 1 Billion flight hours. This means
 6 that even if there is a failure, the pilot will know it and can continue
 7 flying at a speed that is safe for the rest of the flight.”

8 vii. “Does ATLAST™ tie into other aircraft flight control systems? No,
 9 unlike other load alleviation systems ATLAST™ does not connect or
 10 interface with any other flight control system. Complete
 11 independence provides increased safety and versatility.”

12 viii. “With the ATLAS® Active Winglet system; load alleviation, wing
 13 extension and winglets achieve 3 to 4 times more fuel savings than
 14 Passive Winglets do. The ATLAS® Active Winglet system
 15 increases aircraft stability and smooths out the bumps of inflight
 16 turbulence. The ATLAS® system will also allow an increase in max
 17 zero fuel weight as well as provide better high/hot take off
 18 performance.”

19 ix. “Anyone using Tamarack® technology will receive its substantial
 20 performance, economic and safety benefits on every single flight for
 21 the life of the airplane. I am not aware of any technology this good
 22 in all of aviation past or present.” Scott Erickson, CFII, MEI, ATP.

23 36. Defendant Tamarack Aerospace Group, Inc. also represented that the
 24 subject Tamarack Active Winglets system conformed to all applicable airworthiness
 25 standards and FAA Special Conditions, when in fact, it did not.

26 37. Defendant Tamarack Aerospace Group, Inc. made statements,
 27 including the representations specifically identified above, to the public and to
 28 Plaintiff's insureds about the safety, reliability, performance, and characteristics of
 29 the subject Tamarack Active Winglets system.

1 38. These statements constitute express warranties, because they are
 2 affirmations of fact or promise, or a description of the product, which formed the
 3 basis of the bargain with Plaintiff's insureds and to which the product did not
 4 conform in violation of RCW 62A.2-313.

6 39. These statements constitute express warranties, because they
 7 misrepresented material facts concerning the character and quality of the subject
 8 Tamarack Active Winglets system upon which Plaintiff's insureds justifiably relied.

10 40. Defendant Tamarack Aerospace Group, Inc. breached said express
 11 warranties in that the subject Tamarack Active Winglets system was not reasonably
 12 safe and did not improve the safety, reliability, and performance of the subject
 13 Airplane fitted with the subject Tamarack Active Winglets system as advertised. To
 14 the contrary, the subject Tamarack Active Winglets system caused the subject
 15 Airplane to deviate from controlled flight and crash into trees and the ground in
 16 Clark County, Indiana on November 30, 2018.

19 41. Defendant Tamarack Aerospace Group, Inc.'s breach of these express
 20 warranties proximately caused Plaintiff's insureds to suffer consequential damages,
 21 including total loss of the subject Airplane in the November 30, 2018 crash and
 22 damage to property in the vicinity of the crash.

24 42. Pursuant to the Corporate Aircraft insurance policy under which the
 25 subject Airplane was insured at the time of the crash, Old Republic paid to its
 26

1 insureds the sum of \$4,625,000, the insured value of the subject Airplane. On behalf
 2 of its insureds, Old Republic further paid for property damage caused by the crash,
 3 as well as payments to the decedents' statutory beneficiaries, and for expenses
 4 incurred as a consequence of the crash, including but not limited to costs associated
 5 with recovering the remains of the subject Airplane. Plaintiff Old Republic brings
 6 the subrogation action against Defendant to recover all those amounts paid under the
 7 policy pursuant to RCW 62A.2-313.
 8

10 WHEREFORE Plaintiff, Old Republic, prays that judgment be entered in its
 11 favor and against Defendant Tamarack Aerospace Group, Inc. in a sum in a sum
 12 according to proof.
 13

14 **(Third Action – Breach of Implied Warranty – RCW 62A.2-314,
 15 RCW 62A.2-315)**

16 43. Plaintiff incorporates the preceding paragraphs by reference as though
 17 fully set forth herein.

18 44. Defendant Tamarack Aerospace Group, Inc. was at all times a
 19 "merchant" with respect to the subject Tamarack Active Winglets system under
 20 RCW 62A.2-104(1).

22 45. The subject Tamarack Active Winglets are and were at all relevant
 23 times "goods" under RCW 62A.2-105(1).

25 46. Old Republic's insureds were in privity with Defendant Tamarack
 26 Aerospace Group, Inc. and/or were the intended third-party beneficiaries of the

1 contract between Defendant Tamarack Aerospace Group, Inc. and EstoAir LLC.

2 47. Pursuant to RCW 62A.2-314, this contract contains implied warranties
3 of merchantability, including that the product: would pass without objection in the
4 trade under the contract description; are of fair average quality within the
5 description; are fit for the ordinary purposes for which such goods are used; run,
6 within the variations permitted by the agreement, of even kind, quality and quantity
7 within each unit and among all units involved; and conform to the promises or
8 affirmations of fact made.

9 48. Pursuant to RCW 62A.2-315, this contract contains implied warranties of
10 fitness for particular purpose. At the time of contracting, Defendant Tamarack
11 Aerospace Group, Inc. had reason to know Plaintiff's insureds' purpose for the
12 subject Tamarack Active Winglets system and knew that Plaintiff's insureds were
13 relying on their skill and judgment in selecting and furnishing suitable goods.

14 49. Defendant Tamarack Aerospace Group, Inc. breached their implied
15 warranties of merchantability.

16 50. Defendant Tamarack Aerospace Group, Inc. breached their implied
17 warranties of fitness for a particular purpose.

18 51. Defendant Tamarack Aerospace Group, Inc.'s breach of their implied
19 warranties proximately caused Plaintiff's insureds to suffer injury and damage,
20 including total loss of the subject Airplane in the November 30, 2018 crash and
21

damage to property in the vicinity of the crash.

52. Pursuant to the Corporate Aircraft insurance policy under which the subject Airplane was insured at the time of the crash, Old Republic paid to its insureds the sum of \$4,625,000, the insured value of the subject Airplane. On behalf of its insureds, Old Republic further paid for property damage caused by the crash, as well as payments to the statutory beneficiaries of the decedents, and for expenses incurred as a consequence of the crash, including but not limited to costs associated with recovering the remains of the subject Airplane. Plaintiff Old Republic brings this subrogation action against Defendant to recover those amounts paid under the policy under RCW 62A.2-314 and RCW 62A.2-315.

WHEREFORE Plaintiff, Old Republic, prays that judgment be entered in its favor and against Defendant Tamarack Aerospace Group, Inc. in a sum according to proof.

IV. PRAYER FOR RELIEF

Plaintiff Old Republic Aerospace, Inc. requests that the Court enter judgment awarding the following relief:

1. An order awarding Plaintiff its actual damages and/or any other form of monetary relief provided by law;

2. An order awarding Plaintiff restitution and/or other equitable relief as the Court deems proper;

3. An order awarding Plaintiff pre-judgment and post-judgment interest as allowed under the law;

4. An order awarding Plaintiff reasonable attorney fees and costs of suit, including expert witness fees; and

5. An order awarding such other and further relief as this Court deems just and proper.

JURY DEMAND

Plaintiff hereby demands a trial by a 12-person jury on its complaint in the above-entitled action.

DATED: November 12, 2020.

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